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| CANADA<br>PROVINCE OF QUEBEC<br>DISTRICT OF MONTREAL  |  | (Class Action)<br><b>SUPERIOR COURT</b>   |  |
| <b>No. : 500-06-000076-980</b><br><br><b>CONSEIL QUÉBÉCOIS SUR LE TABAC<br/>ET LA SANTÉ</b><br><br><p style="text-align: right;">Applicant</p> -and-<br><b>JEAN-YVES BLAIS</b><br><p style="text-align: right;">Designated member</p> v.<br><b>IMPERIAL TOBACCO LIMITED</b><br>-and-<br><b>ROTHMANS, BENSON &amp; HEDGES INC.</b><br>-and-<br><b>JTI-MACDONALD CORP.</b><br><p style="text-align: right;">Respondents</p>   |  | <b>No.: 500-06-000070-983</b><br><br><b>CÉCILIA LÉTOURNEAU</b><br><br><p style="text-align: right;">Applicant</p> v.<br><b>IMPERIAL TOBACCO LIMITED</b><br>-and-<br><b>ROTHMANS, BENSON &amp; HEDGES INC.</b><br>-and-<br><b>JTI-MACDONALD CORP.</b><br><p style="text-align: right;">Respondents</p>   |  |
| <b><u>NOTICE TO MEMBERS</u></b>   |  |   |  |
| <p><b>TAKE NOTICE</b> that on February 21<sup>st</sup> 2005, Judge Pierre Jasmin of the Superior Court of Quebec authorized the institution of two class actions against Imperial Tobacco Limited, Rothmans Benson &amp; Hedges Inc. and JTI-MacDonald Corp. in the judicial district of Montreal, on behalf of the following two groups:</p>   |  |   |  |
| <p><i>« All persons residing in Quebec who, at the time of the service of the motion [November 19<sup>th</sup> 1998], suffered from lung cancer, larynx cancer, throat cancer or emphysema, or who, since the service of the motion, developed lung cancer, larynx cancer or throat cancer or have suffered from emphysema after having directly inhaled cigarette smoke, having smoked a minimum of 15 cigarettes per 24 hour period for a prolonged and uninterrupted period of at least 5 years, as well as the legal heirs of all persons who satisfy the above mentioned criteria but who died since the service of the motion. »</i></p> <p><b>(The « CQTS » Group)</b></p>   |  | <p><i>« All persons residing in Quebec who, at the time of the service of the motion [September 10<sup>th</sup> 1998], were addicted to the nicotine contained in cigarettes manufactured by the Respondents and who remained addicted, as well as the legal heirs of persons who were included in the group at the time of the service of the motion but later died without first quitting smoking. »</i></p> <p><b>(The « Létourneau » Group)</b></p> |  |
| <p><b>1. The main questions of fact and law that will be dealt with collectively in both class actions are:</b></p> <ul style="list-style-type: none"> <li>• Did the Respondents manufacture, market, commercialize a product that was dangerous and harmful to consumers' health?</li> <li>• Did the Respondents know and were they presumed to know the risks and dangers associated with the consumption of their products?</li> <li>• Did the Respondents implement a systematic policy of non-disclosure of these risks and dangers?</li> <li>• Did the Respondents trivialize or deny these risks and dangers?</li> <li>• Did the Respondents set up marketing strategies conveying false information on the characteristics of the goods sold?</li> <li>• Did the Respondents knowingly place on the market an addictive product and did they purposely refuse to use parts of tobacco with nicotine levels low enough to end the addiction of a large number of smokers?</li> <li>• Did the Respondents conspire amongst themselves to prevent the users of their products from being informed of the dangers inherent to the consumption of their products?</li> </ul> |  |   |  |

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| <ul style="list-style-type: none"> <li>• Did the Respondents intentionally infringe upon the right to life, safety and integrity of the members of the group?</li> </ul> <p><b>The main conclusions sought by the two class actions are:</b></p> <ul style="list-style-type: none"> <li>• Condemn the Respondents to pay damages to the Applicants and members of the group;</li> <li>• Condemn the Respondents to pay punitive damages to the Applicants and members of the group.</li> </ul> <p><b>The conclusions sought in each class action are identified by Judge Pierre Jasmin as follows:</b></p>   |  |
| <p><b><i>The CQTS group</i></b></p> <p>a) GRANT the action for damages of the Applicant and of each member of the group;</p> <p>b) DECLARE the Respondents jointly and solidarily liable for the damages suffered by M. BLAIS and each member of the group;</p> <p>c) CONDEMN the Respondents to indemnify the members of the group for the damages suffered</p> <p>d) CONDEMN the Respondents to pay punitive damages to each member of the group for the infringement of their right to life and safety;</p> <p>e) RESERVE the right of each member to claim for future damages related to tobacco consumption;</p> <p>f) ORDER the Respondents that there be paid, as a measure of reparation, from the indemnity granted to members and up to the proportion that the Tribunal will deem appropriate, the sums necessary to set up a fund the goals of which are to institute measures designed to limit cigarette consumption (notably, through information, education and treatment of people inclined to smoke or addicted to tobacco products) and contribute to medical research for diseases linked to tobacco;</p> <p>g) CONDEMN the Respondents to pay to the Applicants and to each member of the group, interests at the legal rate from the date of the motion as well as the additional indemnity of article 1619 C.C.Q.</p> | <p><b><i>The Létourneau group</i></b></p> <p>a) GRANT the action of the Applicant CÉCILIA LÉTOURNEAU;</p> <p>b) CONDEMN the Respondents, solidarily, to pay punitive damages to the Applicant;</p> <p>c) CONDEMN the Respondents, solidarily, to pay to the Applicant damages to be assessed, with interest from the service of the present motion plus the additional indemnity of article 1619 C.C.Q.;</p> <p>d) GRANT the Applicant's class action on behalf of all members of the group;</p> <p>e) ORDER the collective recovery of the claim for punitive damages, the liquidation of individual claims of members in accordance with articles 1037 to 1040 C.C.P.;</p> <p>f) CONDEMN the Respondents, solidarily, to pay punitive damages to each member of the group;</p> <p>g) CONDEMN the Respondents, solidarily, to pay to each member of the group the amount of his or her claim, with interest from the service of the present motion plus the additional indemnity of article 1619 C.C.Q.;</p> <p>h) THE WHOLE with costs, including experts' fees and notices.</p> |
| <p><b>2. Members who are part of the groups will be bound by any judgment to be rendered in these class actions, unless they exclude themselves by notifying the Clerk of the Superior Court of Montreal of such exclusion through registered letter, at 1, Notre-Dame East, Montreal, Quebec, H2Y 1B6, before July 13<sup>th</sup> 2005 within 30 days of the present notice. The Court may allow a member to intervene if such intervention is considered useful to the group. The members of the groups, other than an Intervenor, cannot be called to pay the fees and costs of the class actions;</b></p> <p><b>3. The full texts of the notices to members are available at the Office of the Superior Court of the district of Montreal and on the websites of each group. In case of divergence between the present summary of the notices and the full texts, the latter shall prevail.</b></p>   |  |
| <p>FOR INFORMATION REGARDING THE CQTS GROUP :</p> <p>Conseil québécois sur le tabac et la santé<br/>(514) 948-5317, extension 21<br/>recours@cqts.qc.ca<br/>Website : <a href="http://www.cqts.qc.ca">www.cqts.qc.ca</a></p>   | <p>FOR INFORMATION REGARDING THE LÉTOURNEAU GROUP:</p> <p><b>TRUDEL &amp; JOHNSTON</b><br/>85, de la Commune East, 3<sup>rd</sup> floor<br/>Montreal (Quebec), H2Y 1J1<br/><a href="http://www.trudeljohnston.com">www.trudeljohnston.com</a></p>  |

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| <p><b>LAUZON BÉLANGER</b><br/>511, Place d'Armes, # 200<br/>Montreal (Quebec), H2Y 2W7<br/><a href="http://www.lauzonbelanger.qc.ca">www.lauzonbelanger.qc.ca</a><br/>(514) 287-1000</p> <p><b>DE GRANDPRÉ CHAIT</b><br/>1000, de la Gauchetière West<br/>Suite 2900<br/>Montreal (Quebec), H3B 4W5</p> <p><b>Attorneys for the Applicant</b></p> | <p><a href="mailto:info@trudeljohnston.com">info@trudeljohnston.com</a><br/>(514) 871-0702</p> <p><b>KUGLER KANDESTIN</b><br/>1, Place Ville Marie # 2101<br/>Montreal (Quebec), H3B 2C6<br/><a href="http://www.kuglerkandestin.com">www.kuglerkandestin.com</a><br/><a href="mailto:pboivin@kugler-kandestin.com">pboivin@kugler-kandestin.com</a><br/><a href="mailto:gkugler@kuglerkandestin.com">gkugler@kuglerkandestin.com</a></p> <p><b>Attorneys for the Applicant</b></p> |
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